



Western Beef Development Centre

What Weaning Weight Was Most Profitable in 2002?

Introduction

Increasingly Saskatchewan cattle producers are discovering the benefits of benchmarking their herds against others with similar cattle. *In this fact sheet cowherd returns are compared against average herd weaning weights.* Data for this analysis originates from the 2002 Western Beef Development Centre (WBDC) cost of production study, which involves 67 participating producers from across Saskatchewan. Herds have been grouped according to average herd weaning weights of “< 509 lbs/head”, “509 – 573 lbs/head” and “> 573 lbs/head.”

Value of Production

As weaning weight increased, the “value of production” per lb. of weaned calf declined very slightly (see Table 1). Interestingly, producers weaning heavier calves received approximately the same “price per lb.” as those weaning lighter calves. Typically, herds with heavier weaning weights also 1) had larger sized cows and were 2) more likely to use bulls with exotic influence; as compared to the lightest weaning weight group.

Costs of Production

As weaning weight increased, calving dates became earlier and the number of cowherd days on feed increased. This coincides with feed costs, which show a jump from \$189/cow to \$248/cow when comparing the “< 509 lbs/head” and “> 573 lbs/head” groups, respectively. However, if one analyzes feed costs from a \$/lb. of weaned calf point of view, there is no difference between the light and heavy weaning weight groups (\$0.43/lb.). The feed costs for herds weaning calves in the 509-573 lbs/head weight range actually had the most expensive feed costs -- \$0.49/lb. of weaned calf.

During the winter-feeding period the cowherds belonging to the heaviest weaning weight group

consumed a ration costing \$1.38/head/day. Herds weaning calves in the middle and light weight groups had ration costs of \$1.29/head/day and \$1.14/head/day respectively.

Differences in pasture costs also existed between the light and heavy weaning weight groups when the costs per pound of weaned calf were considered (light group - \$0.37/lb. vs. heavy group - \$0.28/lb.). This occurred because producers typically chose the same market value for the grass consumed by the cows (\$/grazing day), regardless of the size of cow being considered.

Conclusion

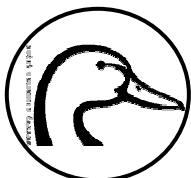
2002 was a tough year to earn profits raising cattle in many areas of Saskatchewan. In my opinion cattle producers can earn a positive return to equity in “normal” years, regardless of the calf weaning weight. However, the key factor that normally affects profitability is management, both financial and production. The goal of the WBDC cost of production program is to help cattle producers in Western Canada become more profitable. The first step is to determine, “what does it cost to raise my calves?”

Note: Ideally, herds should be compared by “lbs weaned/cow exposed”, however a complete set of information was not available to perform that analysis.

For further information about this study or to participate in any WBDC cost of production program contact Tim Highmoor at (306) 966-2627 or thighmoor@wbdc.sk.ca. This study and other WBDC cost of production studies can be found online at www.wbdc.sk.ca.

Table 1: Cowherd Returns vs. Weaning Weight

| | < 509 lbs/hd | | 509 – 573 lbs/hd | | > 573 lbs/hd | |
|--|-----------------|----------------|------------------|----------------|-----------------|----------------|
| Number of Herds | 23 | | 23 | | 21 | |
| Average Number of Cows in Herd (January 1, 2002) | 195 | | 148 | | 117 | |
| Average Pounds of Calf Produced | 84989 | | 71300 | | 67569 | |
| Average Number of Calves Weaned | 182 | | 134 | | 110 | |
| Average Weaning Weight (lbs/head) | 467 | | 532 | | 614 | |
| Average Days on Feed | 166 | | 181 | | 180 | |
| Value of Production | \$/Cow | \$/Lb. | \$/Cow | \$/Lb. | \$/Cow | \$/Lb. |
| Value of Weaned Calves (Net of Trucking & Marketing) | \$508.04 | \$1.17 | \$550.07 | \$1.14 | \$693.71 | \$1.20 |
| Inventory Adjustment/Miscellaneous Revenue/Replacement Breeding Stock/Cull Sales | -\$24.47 | -\$0.06 | -\$20.86 | -\$0.04 | -\$82.08 | -\$0.14 |
| Total Value of Production | \$483.56 | \$1.11 | \$529.20 | \$1.10 | \$611.63 | \$1.06 |
| Production Costs | | | | | | |
| Winter Feed & Bedding | \$189.19 | \$0.43 | \$234.10 | \$0.49 | \$248.31 | \$0.43 |
| Pasture | \$162.11 | \$0.37 | \$135.98 | \$0.28 | \$158.52 | \$0.28 |
| Veterinary & Medicine | \$19.74 | \$0.05 | \$23.07 | \$0.05 | \$35.00 | \$0.06 |
| Fuel | \$11.77 | \$0.03 | \$12.18 | \$0.03 | \$14.47 | \$0.03 |
| Repairs | \$15.40 | \$0.04 | \$15.76 | \$0.03 | \$20.86 | \$0.04 |
| Utilities/Custom Work/Operating Interest/Miscellaneous | \$24.04 | \$0.06 | \$33.28 | \$0.07 | \$38.70 | \$0.07 |
| Paid Labour & Benefits | \$10.24 | \$0.02 | \$8.78 | \$0.02 | \$20.26 | \$0.04 |
| Unpaid Labour | \$72.51 | \$0.17 | \$97.85 | \$0.20 | \$70.44 | \$0.12 |
| Leases - Machinery/Cattle | \$12.06 | \$0.03 | \$12.85 | \$0.03 | \$1.65 | \$0.00 |
| Taxes/Water Rates/Licenses/Insurance | \$5.37 | \$0.01 | \$5.76 | \$0.01 | \$5.29 | \$0.01 |
| Equipment & Building Depreciation | \$18.72 | \$0.04 | \$31.08 | \$0.06 | \$30.82 | \$0.05 |
| Capital Interest | \$6.52 | \$0.01 | \$13.12 | \$0.03 | \$11.52 | \$0.02 |
| Total Production Costs | \$547.67 | \$1.26 | \$623.81 | \$1.30 | \$655.85 | \$1.14 |
| Return to Equity | -\$64.11 | -\$0.15 | -\$94.61 | -\$0.20 | -\$44.22 | -\$0.08 |
| Cowherd Enterprise Investment | | | | | | |
| Buildings | \$163.35 | | \$311.32 | | \$256.72 | |
| Machinery | \$142.86 | | \$206.29 | | \$196.04 | |



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